

**Public Safety Personnel Retirement System
Local Pension Board Meeting Agenda
Superstition Fire & Medical District**

PURSUANT TO A.R.S. §38.431.02

Notice is hereby given to the general public the Superstition Fire & Medical District (SFMD) Public Safety Personnel Retirement System Local Pension Board will hold a work session on Thursday, June 15, 2017. The meeting will be held at the Superstition Fire & Medical District's Regional Training Center, located at 3700 E. 16th Avenue, Apache Junction, Arizona. The meeting will be open to the general public and will begin at 4:00 pm local time.

AGENDA:

- A. Call to Order.
- B. Pledge of Allegiance.
- C. Roll Call.

The following items are to be discussed at the board meeting; action or decisions may or may not be taken on any or all items. Agenda items may or may not be considered in the order listed:

1. Review and possible approval of the May 16, 2017 Local Pension Board meeting minutes.
2. Call to Public.
A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.
Scheduled: none at time of printing
3. Discussion and possible action regarding issues pertaining to the Hall-Parker payments.
4. Announcements and Information.
5. Adjourn.

Notice: The Local Pension Board may go into Executive Session for the purpose of obtaining legal advice from the Fire District's attorney(s) on any of the above agenda items pursuant to A.R.S. 38-431.03(A)(3). One or more members of the Local Pension Board may attend the meeting telephonically.

Local Pension Board meeting agenda dated and posted:

On: June 13, 2017

At: 1730 hours

By: Roger Wood

Local Pension Board Meeting – June 15, 2017

Agenda Item: 1

Agenda Item Title: Review and possible approval of the May 16, 2017 Local Pension Board meeting minutes.

Background / Discussion:

The Local Pension Board meeting minutes are provided for Local Board review, comment and approval. After approval, minutes are signed and kept as official public record and a copy is sent to Public Safety Personnel Retirement System.

Recommended Motion: *(please read motion as written)*

Motion to approve the May 16, 2017 Local Pension Board meeting minutes.

Enclosure: Local Pension Board Meeting Minutes from May 16, 2017.



Superstition Fire & Medical District
565 North Idaho Road, Apache Junction, AZ 85119
Phone (480) 982-4440, Fax (480) 982-0183
www.ajfire.org



Public Safety Personnel Retirement System
Local Pension Board Meeting Minutes

May 16, 2017

PURSUANT TO A.R.S. 38.431.02, NOTICE IS HEREBY GIVEN TO THE GENERAL PUBLIC THAT THE SUPERSTITION FIRE & MEDICAL DISTRICT ("SFMD") PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM ("PSPRS"), THE LOCAL PENSION BOARD HELD A MEETING ON TUESDAY, MAY 16, 2017. THE MEETING WAS HELD AT THE SUPERSTITION FIRE & MEDICAL DISTRICT'S ADMINISTRATION OFFICE, AT 565 N. IDAHO ROAD, APACHE JUNCTION, ARIZONA. THE MEETING WAS OPEN TO THE GENERAL PUBLIC AND BEGAN AT 4:00 P.M.

- D. Chairperson Gene Gehrt called the meeting to order at 4:00 p.m.
- E. The Pledge of Allegiance was led by Board Director Briones.
- F. Roll Call showed Local Board Chairperson Gene Gehrt and Local Board Members Jim Geil, Ruben Briones and Ron Olm were present. Board Member Carlos Rivera was absent. Also present were Finance Director Roger Wood, Firefighter Stephan Gereg, Assistant Chief Mike Farber and HR Generalist Sherry Mueller.
- 6. *Review and possible approval of the February 14, 2017 Local Pension Board meeting minutes.*

Motion by Local Board Member Geil to approve the February 14, 2017 Local Pension Board minutes. Second by Local Board Member Briones. Vote 4 ayes, 0 nays. Motion passed. Chairperson Gehrt signed the February 14, 2017 Local Pension Board meeting minutes.

- 7. *Call to Public.*

None.

- 8. *Discussion and possible approval of Stephan Gereg's application to participate in the DROP program.*

Firefighter Stephan Gereg has applied to enter the DROP program on 5/16/2017. He has completed all the necessary paperwork.

Stephan must terminate employment with SFMD no later than 5/31/2022 in order to comply with DROP guidelines. Stephan started with SFMD on 7/22/1996 and enters the DROP with 20.819 years of service.

Motion by Local Board Member Briones to approve Stephan Gereg's application to participate in the DROP program. Seconded by Local Board Member Geil. Vote 4 ayes, 0 nays. Motion passed.

- 9. *Discussion regarding upcoming changes to the PSPRS program(s), if necessary.*

Two brief videos were shared explaining the overview of PSPRS Pension Reform (video #1) and the Defined Contribution Retirement Plan (video #2) that will go into effect on 7/1/2017 for those hired after January 1, 2012 and before July 1, 2017.

Roger Wood discussed that PSPRS is going through a series of changes as a result of the Hall Case providing a brief overview of a new consequence of SB1428 that becomes effective July 1, 2017. At that time, all firefighters hired after 12/31/2011 are considered “Tier 2B” firefighters and will be eligible for participation in a new Defined Contribution (“DC”) retirement plan that is to serve as a pseudo DROP program for these employees who, by the nature of their beginning service date, are not currently eligible to participate in the DROP program.

The program is set up to be a “negative response” plan, meaning the firefighters are automatically enrolled unless they opt out. Their decision is final for the length of their career; therefore so they cannot opt out and join later, nor can they opt in and then later drop out.

The cost to the District is 4% of the employees’ gross wages, and 3.0% for the employee once the Districts contributions end. The schedule of participation is below:

<u>Calendar Year Hired</u>	<u>ER 4% Contribution Rate</u>	<u>3% Employee Contribution Rate</u>
2012	7/1/17 through 6/30/2024	7/1/2024 and thereafter
2013	7/1/17 through 6/30/2023	7/1/2023 and thereafter
2014	7/1/17 through 6/30/2022	7/1/2022 and thereafter
2015	7/1/17 through 6/20/2021	7/1/2021 and thereafter
2016	7/1/17 through 6/30/2020	7/1/2020 and thereafter
1/1/17 & 6/30/17	7/1/17 through 6/30/2018	7/1/2018 and thereafter

5. *Additional tentative dates in 2017 have been established for future Local Pension Board meetings:*

- August 15, 2017
- November 14, 2017

Motion by Local Board Member Olm to approve August 15, 2017 as the date for the next regularly scheduled Local Pension Board meeting. Seconded by Board Member Briones. Vote 4 ayes, 0 nays. Motion passed.

6. *Announcements and Information.*

None.

7. *Adjourn.*

Motion by Board Member Geil to adjourn the meeting at 4:23 p.m. Seconded by Board Member Briones. Vote 4 ayes, 0 nays. Motion passed.

Board Approval:

Preliminary minutes mailed to PSPRS on May 17, 2017.

Gene Gehrt, Board Chairperson

Roger Wood

Local Pension Board Meeting – June 15, 2017

Agenda Item: 2

Agenda Item Title: Call to Public.

A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

Background / Discussion:

Call to Public is provided so citizens may address the public body (Local Pension Board) with matters concerning the retirement system. Arizona public meeting law provides that the public body may discuss, consider, or decide only matters listed on the agenda and other matters related thereto. Since the public body will generally not know what specific matters may be raised at call to public, they will be unable to act until the matter is placed on a subsequent meeting agenda (at the Local Board's discretion). The Local Board may also direct staff to follow up on an issue.

Recommended Motion: Not applicable

Enclosure: None

Local Pension Board Meeting – June 15, 2017

Agenda Item: 3

Agenda Item Title: Discussion and possible action regarding issues pertaining to the Hall-Parker payments.

Background / Discussion:

Information to be provided at the work session.

Recommended Motion: To Be Determined

Enclosure: None

Local Pension Board Meeting – June 15, 2017

Agenda Item: 4

Agenda Item Title: Announcements and Information.

Local Board may direct staff to act on any of these items or request that they be added to the next meeting agenda.

To be discussed at the work session.

Agenda Item: 5

Agenda Item Title: Adjourn.

Recommended Motion: *Motion to adjourn the Local Pension Board meeting.*

Enclosure: None.